

LEGAL LIAISON BRIEFING

705 W. University Avenue, Ted A. Ardoin City-Parish Council Auditorium
Tuesday, May 10, 2005
5:30 p.m.

COUNCIL MEMBERS: *Present*-Bobby Badeaux-District 1; Dale Bourgeois-District 2; Christopher J. William, Ph.D.-District 3; Lenwood Broussard-District 5; Bruce Conque-District 6; Marc Mouton-District 7; Rob Stevenson-District 8

Absent- Louis C. Benjamin, Jr.-District 4; Randy Menard-District 9

ADMINISTRATION: *Present*-Dee Stanley (CAO), Pat Ottinger (Legal Counsel), Eleanor Bouy (PZC Director), Melanie Lewis (Community Development Director), Tony Tramel (Traffic & Transportation Director)

COUNCIL STAFF: Norma Dugas (Clerk of the Council), Anne Patin (Senior Administrative Assistant)

(TAPE 1)(SIDE A)(000) AGENDA ITEM NO. 1: Call to order.

Councilmember Marc Mouton called the Legal Liaison Briefing of May 10, 2005 to order.

(TAPE 1)(SIDE A)(000) AGENDA ITEM NO. 2: Invocation & Pledge of Allegiance.

(TAPE 1)(SIDE A)(004) AGENDA ITEM NO. 3: Discussion of the Adjudicated Properties Program.

Williams announced that Councilmember Benjamin would not be attending this meeting due to a family emergency. He then requested that a copy of this presentation be sent to all interested parties and the council.

Legal Counsel Pat Ottinger was recognized with an outline of the new ordinance, followed by questions from the Council:

- Adjudicated properties are properties for which an owner failed to pay property taxes and after being unsold at a tax sale, the properties are deeded or “adjudicated” to government. An adjudicated property may be undeveloped, raw land or it may have a structure on it.
- Under State law, the tax debtor, who is the former owner of adjudicated property, has the right to redeem or reclaim ownership of the property within a period of 3 years from date of recordation of tax adjudication deed; and by paying outstanding taxes with interest, penalty and costs.

Ottinger added that after the 3-year period has expired, the redemption right terminates and the property would be free and clear. Heirs to the property would also terminate.

- Before any such sale may be made, the governing authority of the political subdivision shall enact an ordinance generally approving said sales. Said ordinance shall state whether such sales shall be by public or private sale.

Ottinger stated that a public auction would be preferable.

- Ordinance No. 155-2002 provided for a Local Services Agreement between LCG and various taxing authorities. LCG was designated as the lead agency. The Local Services Agreement will have to be amended in order to incorporate the this new program and a meeting of all agencies will be held prior to adoption of this new program.

Ottinger stated that the local municipalities are not included in the Local Services Agreement. He suggested that LCG contract with them if, in fact, there are any adjudicated properties within their municipality. Also, the Agreement allows for the City-Parish President to determine if a property is to be sold or not. If a property can be used for public use (i.e., a library, a Police substation, etc), that property need not be sold. Stevenson asked if a property were deemed for public use, would the other taxing authorities waive their fees. Ottinger stated he hoped they would but that issue had not been worked out as yet.

- If the sales price of property is sufficient to pay all charges:
 - LCG receives one-third of sales price as compensation.
 - Sheriff receives amount to cancel charges on tax roll, penalties and interest.
 - Pay to appropriate parties the amount required to cancel changes and liens imposed by La. RS 33:1236, La. RS 33:4766 and the Amended Plan of Government for LCG.
- If sales price of property is insufficient to pay all changes:
 - LCG receives one-third of sales price as compensation.
 - Proportionate sharing by Sheriff and the appropriate parties of the charges shown above.
- The City-Parish Attorney, under the direction of the City-Parish President, will administer the Program.
- An ordinance to approve and implement the new Program will be presented to the City-Parish Council for its approval.

- Objectives of the Program:
 - The Program is intended to provide a means by which the LCG may help revitalize the community by placing these properties back into commerce.
 - By facilitating a return of these properties to commerce, the LCG thereby generates revenue to allow it to provide other governmental services.
 - Upon the return of a property to private hands, LCG is relieved of any responsibility for maintenance.

Williams suggested that commerce be changed to read “commerce/neighborhoods” since the majority of these properties are in neighborhoods.

- The Task Force is comprised of Herman E. Garner, Jr. – Assistant City-Parish Attorney; Norma Dugas – Clerk of the Council; Andrew Duhon – LUS; Roger Drake – Community Development; and Jody Williamson – Purchasing.

Upon questioning by Williams, Ottinger stated that he would like to bring the suggestions of the Council back to the Task Force as early as next week and then to the Taxing Authorities the following week. Then he would refine the ordinance and bring it back to the Council in 60 to 90 days. The first auction could be held as early as this fall. Williamson added that the RFP packet is ready and can be advertised for 30 days as soon as the ordinance is passed.

- The purpose of the Task Force is to:
 - Carefully review the old Program.
 - Study other programs in the State
 - Recommend termination of the old Program
 - Visit Jefferson Parish and meet with Parish Officials responsible for its program
 - Approve in concept the Jefferson Program, which was based on a public auction of properties.
- The properties will be sold at public auction to the highest bidder (LCG reserves the right to establish a minimum bid for any particular parcel of adjudicated property) by an auctioneer. The auctioneer will have various responsibilities in holding the auction such as advertising and record keeping.

Upon questioning by Badeaux, Ottinger stated that starting the bid at a minimum auction price versus starting the bid with all in it to recoup funds to all agencies would increase the administrative process, which would increase the cost. If the bid does not meet the minimum bid set by the Council, the property remains on the list. Also, the ordinance before the Council sets up a procedure for the auction and properties would not have to come up before the Council again. Bourgeois inquired as to how a minimum price is set. Ottinger answered that it is not clear how that money would be handled. Badeaux opined that it would be good business for the Council to know which properties are being auctioned, even on a quarterly basis. Stevenson suggested that a simple resolution listing the properties be brought before

the Council. Conque added that a quarterly report be issued showing the activity, progress and success.

Upon questioning by Williams, Ottinger explained that an auctioneer could apply through the Request for Proposals system. Jody Williamson (Purchasing) stated that a list of auctioneers had been obtained from Jefferson Parish. Williams asked for a copy of that list.

It was brought out that in creating the ordinance, discussions were held on maintenance of properties by neighbors and outside interests coming in and buying up large numbers of these properties.

- An ordinance will need to be adopted enacting Chapter 72 of the Code of Ordinances, to be designated "Property Management".

Upon questioning by Williams, Ottinger explained that the fees for adjudicated properties under the old ordinance are being handled as follows: 1) the checks for the \$75 fee have been held and not cashed. Those checks will be returned to the owner, and 2) the appraisal fee was paid to an agency outside of government and was not refundable. Williams stated he would put his concerns in writing to Ottinger and then asked if he would obtain some type of indicator as to where these properties are located. His hope was for the properties to be given back to the people in those neighborhoods.

Stevenson asked what would happen if an adjudicated property was also on the Community Development's condemnation list. Jake Miller, Provisional Housing Manager, stated the bidder would have notice of such and CD would be willing to work with the new owners.

Williams then asked what the Administration fee, charged by LCG, is? Boyd Boswell, Environmental Services Manager, answered up to 50 %.

The following individual were recognized:

Sonya LaComb, having been one of the individuals who went through the old process, explained that she paid \$450 for an appraisal to Cope & Associates; however, she did not receive an appraisal. She asked if Cope & Associates would come forward with a certified appraisal. She also asked if bidders awarded the property, which has also been adjudicated, would be forced to adhere to the 120 days for demolition. Ottinger answered that if Ms. LaComb paid for an appraisal then she is entitled to one and Community Development has the latitude to work with her. Williams requested that Ottinger forward to the Council 1) whether or not money was paid, 2) if money was paid, whether or not the person received what he/she paid for, and 3) how many people there are in that particular case, if any.

Parish Assessor Conrad Comeaux then gave the following amounts of adjudicated properties, as of the November, 2004 Tax Roll, within each taxing district:

Lafayette	489
Unincorporated	165
Duson	5
Broussard	11
Carencro	8
Scott	13
Youngsville	14
 TOTAL	 705

Comeaux reminded that the 705 are not the amount available to be sold because several are in the 3-year prescriptive period. He added that his office could place these properties on the Internet.

COMMENTS FROM THE PUBLIC

(TAPE 2)(SIDE A)(274) AGENDA ITEM NO. 4: Comments from the public regarding the above listed item.

(TAPE 2)(SIDE A)(276) AGENDA ITEM NO. 5: Adjourn.